

North Church UK
Unaudited Financial Statements
31 December 2023

HARRISON HOLT
Chartered Accountants
High Park Farm
Kirkbymoorside
York
YO62 7HS

North Church UK

Financial Statements

Year ended 31 December 2023

	Page
Trustees' annual report	1
Independent examiner's report to the trustees	8
Statement of financial activities	9
Statement of financial position	10
Statement of cash flows	11
Notes to the financial statements	12

North Church UK

Trustees' Annual Report

Year ended 31 December 2023

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2023.

The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Reference and administrative details

Registered charity name North Church UK

Charity registration number 1197955

Principal office 98 Kirkstall Road
Leeds
LS3 1HJ

The trustees

Ms E M Ajayi
Miss A C Beckwith
Mr J M Knight
Mr D C Niblock

Lead Pastors David Niblock
Abigail Niblock

General Manager Mike Mullender

Safeguarding Senior Leader Jon Knight

Safeguarding Officer Jennifer Innes (to August 2023)
Jennifer Sellars (from August 2023)

Web site www.churchnorth.com

Banker Virgin Money

Independent examiner Philip J H Holt FCA FCIE
High Park Farm
Kirkbymoorside
York
YO62 7HS

North Church UK

Trustees' Annual Report *(continued)*

Year ended 31 December 2023

Structure, governance and management

North Church UK is a Charitable Incorporated Organisation (CIO) registered in February 2022, which is governed by a Constitution dated 8th February 2022. The Church is affiliated to the Assemblies of God GB and the Evangelical Alliance.

The charity is managed by a board of experienced trustees, who are responsible for ensuring financial stability and providing professional and strategic advice on policy and resource management. Following Assemblies of God guidelines the Church is required to have at least three trustees at any one time, with one of them being one of the lead pastors, David Niblock.

The trustees meet at least four times each year and have overall responsibility for the operation and leadership of the charity. The trustees draw up policies and procedures within which they and the staff operate and make decisions. The trustees delegate much of the day-to-day responsibilities to the lead pastors under an agreed Schedule of Delegation, which is reviewed annually.

All of our trustees are involved with the Church and undertook trustee training provided by Stewardship in November 2022.

The trustees have arranged Trustees indemnity insurance with a reputable insurer.

New trustees

When a vacancy occurs or there is a need to increase the number of trustees, the lead pastors will nominate a potential new trustee deemed to have the relevant experience, skills and commitment, who will be considered by the existing trustees. All appointments will be confirmed by the board of trustees and recorded by a minute in the meeting notes of the relevant board meeting.

When a new trustee is identified, they will be provided with the following before their appointment:

- (a) a copy of the current version of the Constitution;
- (b) a copy of the Church's latest annual report and statement of accounts, and;
- (c) information about the role and responsibilities of a trustee provided by the Charity Commission.

North Church UK

Trustees' Annual Report *(continued)*

Year ended 31 December 2023

Structure, governance and management *(continued)*

Staff

The core team has grown from fourteen employed staff at the beginning of 2023 to nineteen by the end of the financial year. Five of these staff are full time and the remainder are part time or casual, working from one to three days a week. All staff are under the leadership of the lead pastors for the day-to-day running of the Church, assisted by line managers. We have continued to work hard to build a healthy staff culture with regular training.

All decisions on staff pay and benefits are made by the trustees.

We have also continued to use an external coach for the staff team, who is an experienced Church pastor. He has regular meetings with the staff to provide guided development and to act as a sounding board.

In addition, we have an Advisory Team which helps to bring direction to our vision and values, together with advisory input for the lead pastors.

Safeguarding is one of our priorities, to ensure the safety and protection of everyone who accesses our various ministries. The trustees have a clear understanding that they are accountable for how we safeguard vulnerable adults, children and young people who engage with us, as well as our staff and volunteers. We have implemented safeguarding training for trustees, staff and volunteers.

We renewed our ISO 9001:2015 Quality Management System accreditation in November 2023.

North Church UK

Trustees' Annual Report *(continued)*

Year ended 31 December 2023

Objectives and activities

Our vision to have a commitment to be a Church 'For The City' remains at the forefront of all we do, and we have taken essential steps to ensure it continues to be our priority with our time and with our resources, to serve the people in the city who need help the most. It has been wonderful to see so many of our Church volunteers step up and give their time and effort to serve people who they might not usually come across in their day-to-day life.

When we have become aware of a need in our city, we have done our best to help support or partner with various organisations to meet the need.

Our four values remain;

1. 'Jesus is who we love to follow.'

Our first priority and response is a culture that follows Jesus wholeheartedly with our daily lives. We want the Church to be a living testimony to the saving power of the gospel and to help people find life-giving hope in Jesus.

We are committed to helping people develop a deep and authentic relationship with Jesus and to discover all that God has for them, so that we have a positive impact in the city of Leeds and surrounding areas.

2. 'The Word is how we love to grow'

Spiritual growth and discipleship are paramount to the depth and health of our Church community, so we have established a new discipleship framework to help make spiritual growth more accessible to everyone.

We have also implemented the same culture into our age group ministries with kids, youth and young adults all following a similar journey.

3. 'People were who we love to serve'

Serving has always been a heartbeat of our Church as we follow Christ's example to serve. We have seen hundreds of new people engaging in serving in our ministry areas throughout the week and for our Sunday services. This is people using their gifts and passion to make a difference in other people's lives.

4. 'Community is how we love to live'

Our Church loves to enjoy life together! From our small groups to social interest groups, people are always looking for ways to grow in community. It is wonderful to see such a diverse mix of community from the youngest to the oldest, people from different sides of the world and from vastly different socio-economic status, and yet the Church is united.

Our heart is to facilitate and strengthen this continued growth with appropriate structure and sustainability.

The trustees have referred to the advice contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

Policy on grant making

Our policy outlines how grants may be made and the priorities for providing support. Our aims are advancement of the Christian faith and relief of poverty within local communities and across the world, so recipients of grants are chosen based on their adherence to our charitable objects. Grants will be made for the public benefit by funding activities which will allow our objects to be fulfilled.

North Church UK

Trustees' Annual Report *(continued)*

Year ended 31 December 2023

Achievements and performance

During 2023 we have continued to see exponential growth across the whole Church. With new people joining the Church, new families and people finding faith we have seen amazing increase in nearly all areas as people have connected with the vision, established lasting roots and brought significant contribution to the life of the Church.

In September, due to the higher number of adults and children attending Church, we went from having one service each Sunday morning and one evening service once a month, to having two services each Sunday morning, plus an evening service once a month.

In 2023 we saw 150 people come to faith in Jesus, as well as 73 who followed that decision with water baptism. 142 people completed our New to North course which helps people integrate into the soul of the Church.

To strengthen the serving culture we have worked hard to assist the volunteers with specific training such as safeguarding, first aid and leadership development.

Our Easter and Christmas celebrations in 2023 attracted the most people we have ever welcomed in Church and it has been incredible to see the Church alive and fulfilling it's mission here in Leeds.

We continue to run the community café which feeds 25 to 30 people every Thursday, as well as providing essential food items, clothes and hygiene supplies, alongside a hot meal and most importantly, community and an opportunity to talk to people who genuinely care about them. Our partnership with the local schools has grown as we have supported them at times during the year with items such as blankets, Easter eggs and of course Christmas hampers.

In 2023 we launched our North Church Bible School and had over 150 people complete our first module. A new module will commence each term.

We have seen over 50 different nationalities represented in our Church, which was celebrated at our first Nations Day and really reflects the rich diversity and cultural heritage in our city and surrounding areas.

In addition to this, we also hosted our first Young Adults Soul Conference which attracted 600 young adults from across Europe for a weekend.

Financial review

Review of financial activities

The financial results for 2023 and the position with the finances at the end of the year are shown in the attached financial statements.

During our first full accounting year the Charity received donations amounting to £523,419 (2022 - £352,222), related Gift Aid claims of £82,753 (2022 - £42,920). In addition, gifts received were £315,144 (2022 - £222,773), grant funding totalling £17,100 (2022 - £7,250) was received and other income amounted to £nil (2022 - £270,315). Income from trading activities amounted to £56,752 (2022 - £27,002) and interest received was £4,698 (2022 - £269).

The total expenditure on charitable activities amounted to £720,090 (2022 - £423,033) with governance and other resources expensed totalled £15,382 (2022 - £15,704) during the year.

North Church UK

Trustees' Annual Report *(continued)*

Year ended 31 December 2023

The total reserves at the year end were £682,624 (2022 - £459,059). The total fixed assets of the charity amounted to £222,454 (2022 - £249,445).

At the end of 2023, the general unrestricted free reserves of the Charity were £458,020 (2022 - £203,911).

This amount adequately exceeds our general expenditure for a period in excess of three months.

The income of the Church is primarily voluntary donations from individuals and other charities, plus some income from the activities of the Church, such as weekends away and conferences, together with income generated from hiring out rooms in the venue. Some income is raised in relation to specific, unexpected needs for responding to local and national events.

The trustees set an agreed budget for each financial year. The lead pastors have authority, with relevant consultation with the trustees, to work within this budget. Any expenditure which is more than 5% above budget needs to be agreed by the trustees.

The trustees manage the finances of the Church to ensure that all of the income is used to further the charitable purposes of the charity. When the reserves of the Church rise above the targeted level the trustees will take action to use the surplus in connection with those purposes. If the trustees know of future costs that justify higher than the policy level of reserves these will be explained in the quarterly management accounts and the year end report.

There have been no significant events which have affected the financial performance for 2023.

Investment Policy

The Church has power to deposit or invest funds, employ a professional fund-manager, and arrange for the investments or other property of the Church to be held in the name of a nominee, in the same manner and subject to the same conditions as the trustees of a trust are permitted to do by the Trustee Act 2000.

No long-term investments are held by the Church at present. The trustees believe the Church's ongoing income is stable and consider that it will be possible to make fundraising or cost-saving action in good time should it be necessary.

Risks and Uncertainties

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that adequate systems and controls are in place to mitigate exposure to such risks. These risks are managed and assessed on an ongoing basis and will be mitigated against as necessary, so that the charity is not exposed to undue risk.

North Church UK

Trustees' Annual Report *(continued)*

Year ended 31 December 2023

Financial review *(continued)*

Related Parties

We are affiliated to Assemblies of God UK, one of the largest Pentecostal denominations in the UK. We donate 3% of our income to Assemblies of God on a monthly basis, up to a maximum £20,000 each year.

We are also a member of the Evangelical Alliance.

Life Church Ministries (Company number 11973632) is a guarantor for the lease of the building we occupy.

Reserves policy

The trustees recognise the importance of a reserves policy to demonstrate good stewardship and financial management, to ensure that the charity is sustainable for the future by managing any unforeseen financial challenges. Our policy is to maintain unrestricted funds which have not been designated for a specific purpose at a sufficient level to meet all management and administrative costs and other ongoing financial commitments for a minimum of three months. These reserves are currently held in cash at the bank and in interest bearing instant access or short notice deposit accounts with reputable financial institutions, which can be accessed at reasonably short notice.

We will also ensure that excessive funds are not held without any identifiable reason or for any identifiable charitable purpose.

Plans for future periods

We will continue to pursue our vision throughout 2023 and into 2024, by developing what we have started in 2022, and believe that we will see continued growth in the various areas of the work as we stay true to the principle of seeking first the Kingdom of God. We are now looking at how we can arrange to accommodate more people at our Sunday services and have started the process of finding additional space to use, to give us more room to develop and extend our community and outreach projects in particular.

We remain focused on developing our various activities to strengthen spiritual well-being, build caring and supportive communities, advance the Christian faith and develop leadership and ministry skills.

We will continue to deliver our existing activities as well as establishing new projects which clearly meet the charity's aims and objectives for the public benefit, and which add real value for the people in our local communities.

The trustees' annual report was approved on 28 October 2024 and signed on behalf of the board of trustees by:

MS E M AJAYI

Trustee

North Church UK

Independent Examiner's Report to the Trustees of North Church UK

Year ended 31 December 2023

I report to the trustees on my examination of the financial statements of North Church UK ('the charity') for the year ended 31 December 2023.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

PHILIP J H HOLT FCA FCIE

Independent Examiner

High Park Farm
Kirkbymoorside
York
YO62 7HS

29 October 2024

North Church UK

Statement of Financial Activities

Year ended 31 December 2023

		Year to 31 Dec 23			Period from 17 Feb 22 to 31 Dec 22
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	4	914,013	24,403	938,416	895,480
Other trading activities	5	26,522	30,230	56,752	27,002
Investment income	6	4,696	2	4,698	269
Total income		<u>945,231</u>	<u>54,635</u>	<u>999,866</u>	<u>922,751</u>
Expenditure					
Expenditure on raising funds:					
Costs of raising donations and legacies	7	4,299	1,088	5,387	1,950
Costs of other trading activities	8	26,149	9,293	35,442	23,005
Expenditure on charitable activities	9,10	661,060	74,412	735,472	438,737
Total expenditure		<u>691,508</u>	<u>84,793</u>	<u>776,301</u>	<u>463,692</u>
Net income		<u>253,723</u>	<u>(30,158)</u>	<u>223,565</u>	<u>459,059</u>
Transfers between funds		(30,605)	30,605	—	—
Net movement in funds		223,118	447	223,565	459,059
Reconciliation of funds					
Total funds brought forward		453,356	5,703	459,059	—
Total funds carried forward		<u>676,474</u>	<u>6,150</u>	<u>682,624</u>	<u>459,059</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 12 to 27 form part of these financial statements.

North Church UK

Statement of Financial Position

31 December 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	17	222,454	249,445
Current assets			
Debtors	18	59,416	32,937
Cash at bank and in hand		457,422	231,601
		<u>516,838</u>	<u>264,538</u>
Creditors: amounts falling due within one year	19	<u>56,668</u>	<u>54,924</u>
Net current assets		<u>460,170</u>	<u>209,614</u>
Total assets less current liabilities		<u>682,624</u>	<u>459,059</u>
Net assets		<u>682,624</u>	<u>459,059</u>
Funds of the charity			
Restricted funds		6,150	5,703
Unrestricted funds		<u>676,474</u>	<u>453,356</u>
Total charity funds	23	<u>682,624</u>	<u>459,059</u>

These financial statements were approved by the board of trustees and authorised for issue on 28 October 2024, and are signed on behalf of the board by:

MS E M AJAYI
Trustee

MR D C NIBLOCK
Trustee

The notes on pages 12 to 27 form part of these financial statements.

North Church UK

Statement of Cash Flows

Year ended 31 December 2023

	Note	2023	2022
	25	£	£
Cash generated from operations		236,713	235,849
Interest received		4,698	269
Net cash from operating activities		<u>241,411</u>	<u>236,118</u>
Cash flows from investing activities			
Purchase of tangible assets		(15,590)	(4,517)
Net cash used in investing activities		<u>(15,590)</u>	<u>(4,517)</u>
Cash flows from financing activities			
Net increase in cash and cash equivalents		225,821	231,601
Cash and cash equivalents at beginning of year		<u>231,601</u>	<u>–</u>
Cash and cash equivalents at end of year		<u>457,422</u>	<u>231,601</u>

The notes on pages 12 to 27 form part of these financial statements.

North Church UK

Notes to the Financial Statements

Year ended 31 December 2023

1. General information

North Church UK is a public benefit entity and is registered as a Charitable Incorporated Organisation in England. The address of the principal office is 98 Kirkstall Road, Leeds, LS3 1HJ.

2. Statement of compliance

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

3. Accounting policies

Basis of preparation

The financial statements are prepared on a going concern basis under the historical cost convention.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

The current accounting period was the year from 1 January 2023 to 31 December 2023. The comparative figures were for the prior period of just over 10 months from 17 February 2022 to 31 December 2022.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented unless otherwise stated.

Going concern

There are no material uncertainties about the charity's ability to continue.

North Church UK

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities, within the next financial year, are the levels of future funding and expenditure on charitable activities.

Income tax

As a charity, North Church UK is exempt from tax on income and gains falling within the available tax exemptions to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

North Church UK

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

North Church UK

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	-	20% straight line
Equipment	-	20% straight line
Leasehold improvements	-	10% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

North Church UK

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the value of the cash or other consideration expected to be paid or received and not discounted.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations			
Individual giving	509,770	8,812	518,582
Trusts and Foundations	—	—	—
Limited companies	1,200	—	1,200
Mosaik - The Church Network	3,637	—	3,637
Gift Aid tax recovered	79,064	3,689	82,753
Gifts			
Soul Church Ltd	—	—	—
Streetwise-Love Leeds Ltd	—	—	—
Via charitable giving portals	310,342	4,802	315,144
Grants			
Leeds Christian Community Trust	—	7,100	7,100
Government grant income	10,000	—	10,000
Other donations and legacies			
Life Church Ministries	—	—	—
	<u>914,013</u>	<u>24,403</u>	<u>938,416</u>

North Church UK

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

4. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Individual giving	309,980	8,641	318,621
Trusts and Foundations	2,000	—	2,000
Limited companies	15,576	16,025	31,601
Mosaik - The Church Network	—	—	—
Gift Aid tax recovered	40,372	2,548	42,920
Gifts			
Soul Church Ltd	1,000	—	1,000
Streetwise-Love Leeds Ltd	2,594	—	2,594
Via charitable giving portals	219,179	—	219,179
Grants			
Leeds Christian Community Trust	—	7,250	7,250
Government grant income	—	—	—
Other donations and legacies			
Life Church Ministries	270,315	—	270,315
	<u>861,016</u>	<u>34,464</u>	<u>895,480</u>

5. Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Fundraising events	728	25,306	26,034
Shop income	341	4,924	5,265
Letting and licensing	25,453	—	25,453
	<u>26,522</u>	<u>30,230</u>	<u>56,752</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Fundraising events	3,982	—	3,982
Shop income	120	4,068	4,188
Letting and licensing	18,832	—	18,832
	<u>22,934</u>	<u>4,068</u>	<u>27,002</u>

North Church UK

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

6. Investment income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Bank interest receivable	4,623	–	4,623
Other interest receivable	73	2	75
	<u>4,696</u>	<u>2</u>	<u>4,698</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Bank interest receivable	216	–	216
Other interest receivable	53	–	53
	<u>269</u>	<u>–</u>	<u>269</u>

7. Costs of raising donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Costs of raising donations and legacies	4,299	1,088	5,387

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Costs of raising donations and legacies	1,796	154	1,950

8. Costs of other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Shop costs	404	4,045	4,449
Staging events	18,526	1,509	20,035
Advertising and publicity	7,219	3,739	10,958
	<u>26,149</u>	<u>9,293</u>	<u>35,442</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Shop costs	6,336	–	6,336
Staging events	5,513	(28)	5,486
Advertising and publicity	10,869	314	11,183
	<u>22,718</u>	<u>286</u>	<u>23,005</u>

North Church UK

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Advance Christian faith	377,969	43,142	421,111
Relieve sickness and hardship	6,672	25,286	31,958
Support costs	276,419	5,984	282,403
	<u>661,060</u>	<u>74,412</u>	<u>735,472</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Advance Christian faith	214,336	27,524	241,860
Relieve sickness and hardship	1,488	11,617	13,106
Support costs	183,572	201	183,771
	<u>399,396</u>	<u>39,342</u>	<u>438,737</u>

10. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2023 £	Total fund 2022 £
Advance Christian faith	397,927	23,184	264,350	685,461	408,246
Relieve sickness and hardship	14,690	17,268	2,671	34,629	14,787
Governance costs	—	—	15,382	15,382	15,704
	<u>412,617</u>	<u>40,452</u>	<u>282,403</u>	<u>735,472</u>	<u>438,737</u>

North Church UK

Notes to the Financial Statements (continued)

Year ended 31 December 2023

11. Analysis of support costs

	Advance Christian faith £	Relieve sickness and hardship £	Governance costs £	Total 2023 £	Total 2022 £
Staff costs	80,664	815	7,245	88,724	40,784
Premises	52,586	531	—	53,117	45,829
Communications and IT	1,245	13	—	1,258	465
General office	50,977	515	—	51,492	23,565
Finance costs	45	—	—	45	—
Travel and subsistence	9,760	99	—	9,859	4,589
Trustees meetings	—	—	16	16	—
Accounting and examination fees	—	—	3,600	3,600	3,200
Depreciation	42,155	426	—	42,581	26,887
Technicians and audio visual costs	6,948	70	—	7,018	5,129
Staff training & welfare	2,847	29	—	2,876	6,944
Equipment expensed	17,123	173	—	17,296	18,498
Legal and professional	—	—	4,521	4,521	7,881
	<u>264,350</u>	<u>2,671</u>	<u>15,382</u>	<u>282,403</u>	<u>183,771</u>

12. Analysis of grants

	Year to 31 Dec 23 £	Period from 17 Feb 22 to 31 Dec 22 £
Grants to institutions		
Life Church - Bradford	—	10,463
Assemblies of God - Great Britain	1,000	—
Zarach	—	1,000
Building Church Ltd	544	—
Soul Church	6,000	1,000
Ordinary Hero	2,550	700
Sports Chaplaincy	1,600	565
Samaritans Purse International	4,400	—
Light UK	500	—
Youth for Christ	550	—
16 Ministry Gifts of £500 or less to local churches	6,040	—
	<u>23,184</u>	<u>13,728</u>
Grants to individuals		
5,655 Grants and Gifts to individuals	17,268	4,034
Total grants	<u>40,452</u>	<u>17,762</u>

13. Net income

Net income is stated after charging/(crediting):

	2023 £	2022 £
Depreciation of tangible fixed assets	42,581	26,887
Operating lease rentals	<u>42,556</u>	<u>18,282</u>

North Church UK

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

14. Independent examination fees

	Year to 31 Dec 23 £	Period from 17 Feb 22 to 31 Dec 22 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	600	600
Other financial services	3,000	2,600
	<u>3,600</u>	<u>3,200</u>

15. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	Year to 31 Dec 23 £	Period from 17 Feb 22 to 31 Dec 22 £
Wages and salaries	257,620	136,318
Social security costs	20,099	11,473
Employer contributions to pension plans	11,465	2,757
Other employee benefits	5,819	263
	<u>295,003</u>	<u>150,811</u>

The average head count of employees during the year was 17 (2022: 12). The average number of full-time equivalent employees during the year is analysed as follows:

	2023 No.	2022 No.
Direct charitable activities	8	4
Support	1	1
Trustee	1	1
	<u>10</u>	<u>6</u>

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

North Church UK

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

16. Trustee remuneration and expenses

Included within staff costs were salary costs for the Lead Pastor, who is a paid trustee in accordance with the Articles of the charitable incorporated organisation and as permitted by the Charity Commission and who was employed from 1 May 2022.

The salary amounted to £50,936 (2022: £34,120), social security costs amounted to £5,774 (2022: £4,135) and pensions amounted to £3,155 (2022: £881). There were no other benefits in kind. The current accounting period was the year from 1 January 2023 to 31 December 2023. The comparative figures were for the prior period of just over 10 months from 17 February 2022 to 31 December 2022.

Two trustees were reimbursed for expenses in relation to charitable trading, direct charitable activities, support costs and the acquisition of fixed assets amounting to £2,790 (2022: £1,466).

During the period, the charity purchased insurance to protect it from loss arising from the neglect or defaults of its trustees, employees or agents, or to indemnify its trustees, employees or agents, against the consequences of any neglect or default on their part. The premium paid was £431 (2022: £431).

17. Tangible fixed assets

	Fixtures and fittings £	Equipment £	Leasehold improvements £	Total £
Cost				
At 1 January 2023	126,270	4,517	145,545	276,332
Additions	11,741	3,849	–	15,590
At 31 December 2023	<u>138,011</u>	<u>8,366</u>	<u>145,545</u>	<u>291,922</u>
Depreciation				
At 1 January 2023	16,836	348	9,703	26,887
Charge for the year	26,784	1,242	14,555	42,581
At 31 December 2023	<u>43,620</u>	<u>1,590</u>	<u>24,258</u>	<u>69,468</u>
Carrying amount				
At 31 December 2023	<u>94,391</u>	<u>6,776</u>	<u>121,287</u>	<u>222,454</u>
At 31 December 2022	<u>109,434</u>	<u>4,169</u>	<u>135,842</u>	<u>249,445</u>

18. Debtors

	2023 £	2022 £
Trade debtors	44,438	19,091
Prepayments and accrued income	14,978	13,846
	<u>59,416</u>	<u>32,937</u>

North Church UK

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

19. Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	13,159	29,138
Accruals and deferred income	37,852	14,913
Social security and other taxes	3,678	9,997
Other creditors	1,979	876
	<u>56,668</u>	<u>54,924</u>

20. Deferred income

	2023	2022
	£	£
At 1 Jan 23	6,730	–
Amount released to income	(6,730)	–
Amount deferred in year	18,336	6,730
At 31 Dec 23	<u>18,336</u>	<u>6,730</u>

21. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £11,465 (2022: £2,757).

22. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2023	2022
	£	£
Recognised in income from donations and legacies:		
Government grants income	<u>10,000</u>	<u>–</u>

North Church UK

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

23. Analysis of charitable funds

Unrestricted funds

	At 1 January 2023 £	Income £	Expenditure £	Transfers £	At 31 December 2023 £
General funds	203,911	920,731	(648,385)	(30,605)	445,652
Fixed Asset Fund	249,445	15,590	(42,581)	–	222,454
Event North Fund	–	8,910	(542)	–	8,368
	<u>453,356</u>	<u>945,231</u>	<u>(691,508)</u>	<u>(30,605)</u>	<u>676,474</u>
	At 17 February 2022 £	Income £	Expenditure £	Transfers £	At 31 December 2022 £
General funds	–	607,887	(397,023)	(6,953)	203,911
Fixed Asset Fund	–	276,332	(26,887)	–	249,445
Event North Fund	–	–	–	–	–
	<u>–</u>	<u>884,219</u>	<u>(423,910)</u>	<u>(6,953)</u>	<u>453,356</u>

Fixed Asset Fund: The Fixed Asset Fund was established by the Trustees as a Designated Fund. This fund represents the additions and changes in the net book value of the tangible fixed assets of the charity as these are assets used by the charity in the performance of its charitable activities.

Event North Fund: The Event North Fund was established by the Trustees as a Designated Fund. This fund represents the income and expenditure in relation to taking bookings for hiring out the venue and its purpose is to identify the contribution to the performance of its charitable activities from venue hire.

North Church UK

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

23. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 January 2023 £	Income £	Expenditure £	Transfers £	At 31 December 2023 £
For the City Fund	3,857	8,249	(23,182)	11,076	–
For the City (Christmas) Fund	–	18,316	(22,234)	3,918	–
Community Café Fund	1,846	8,482	(6,101)	–	4,227
Rent Fund	–	–	–	–	–
For the City (Easter) Fund	–	3,966	(2,043)	–	1,923
Disaster Relief Fund	–	3,966	(4,480)	514	–
Youth Fundraising Projects	–	3,958	(5,784)	1,826	–
YA Fundraising Projects	–	7,698	(20,969)	13,271	–
	<u>5,703</u>	<u>54,635</u>	<u>(84,793)</u>	<u>30,605</u>	<u>6,150</u>
	At 17 February 2022 £	Income £	Expenditure £	Transfers £	At 31 December 2022 £
For the City Fund	–	5,504	(1,647)	–	3,857
For the City (Christmas) Fund	–	11,108	(18,061)	6,953	–
Community Café Fund	–	8,344	(6,498)	–	1,846
Rent Fund	–	13,576	(13,576)	–	–
For the City (Easter) Fund	–	–	–	–	–
Disaster Relief Fund	–	–	–	–	–
Youth Fundraising Projects	–	–	–	–	–
YA Fundraising Projects	–	–	–	–	–
	<u>–</u>	<u>38,532</u>	<u>(39,782)</u>	<u>6,953</u>	<u>5,703</u>

For the City Fund: The For the City Fund was established by the pastors raising funds from collections and special giving to support the "For the City" programme of events and activities.

For the City (Christmas) Fund: The For the City (Christmas) Fund was established by the pastors raising funds from collections and special giving to celebrate Christmas in a number of ways.

Community Café Fund: The Community Café Fund was established by Leeds Christian Community Trust, Streetwise - Love Leeds and other individual donors to support the onsite community café.

Rent Fund: The Rent Fund was established by a private donor to support the initial rental costs for the church premises.

North Church UK

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

23. Analysis of charitable funds *(continued)*

For the City (Easter) Fund: The For the City (Easter) Fund was established by the pastors raising funds from collections and special giving to support the "For the City (Easter)" programme of events and activities.

Disaster Relief Fund: The Disaster Relief Fund was established by the pastors raising funds from collections and special giving to support the Disaster Relief around the world.

Youth Fundraising Projects Fund: The Youth Fundraising Projects Fund was established by the pastors raising funds from collections and special giving to support the Youth Fundraising Projects programme of events and activities.

YA Fundraising Projects Fund: The YA Fundraising Projects Fund was established by the pastors raising funds from collections and special giving to support the YA Fundraising Projects programme of events and activities.

24. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Tangible fixed assets	222,454	–	222,454
Current assets	510,688	6,150	516,838
Creditors less than 1 year	(56,668)	–	(56,668)
Net assets	<u>676,474</u>	<u>6,150</u>	<u>682,624</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	249,445	–	249,445
Current assets	258,835	5,703	264,538
Creditors less than 1 year	(54,924)	–	(54,924)
Net assets	<u>453,356</u>	<u>5,703</u>	<u>459,059</u>

North Church UK

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

25. Cash generated from operations

	2023 £	2022 £
Net income	223,565	459,059
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	42,581	26,887
Other interest receivable and similar income	(4,698)	(269)
Accrued expenses	11,333	8,183
Non cash adjustment for donated assets	–	(271,815)
<i>Changes in:</i>		
Trade and other debtors	(26,479)	(32,937)
Trade and other creditors	(9,589)	46,741
	<u>236,713</u>	<u>235,849</u>

26. Analysis of changes in net debt

	At 1 Jan 2023 £	Cash flows £	At 31 Dec 2023 £
Cash at bank and in hand	<u>231,601</u>	<u>225,821</u>	<u>457,422</u>

27. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2023 £	2022 £
Later than 1 year and not later than 5 years	81,459	29,939
Later than 5 years	<u>712,766</u>	<u>794,225</u>
	<u>794,225</u>	<u>824,164</u>

28. Related parties

By Agreement signed 2 October 2022, Life Church Ministries, a related party virtue of Life Church Ministries being a guarantor of some of the Charity's leases, transferred the operations and assets of the Leeds Campus to North Church UK for consideration of £1. The market value of the assets was £270,315.

During the period, the Charity paid £47,351 to Life Church Ministries for rent and other charitable expenses and received £8,101 in respect of donations. There were no balances outstanding at 31 December 2023.

During the period, the Charity paid £15,968 to Abundant Life Resources Limited, a subsidiary of Life Church Ministries, in respect of hire purchase lease obligations on assets hired by the Charity.

During the period, two trustees were reimbursed £2,790 (2022: one trustee - £1,466) in respect of expenses and all four trustees make donations to the Charity which in aggregate, including Gift Aid, totalled £9,472 (2022: £20,196).